

*Department of Administrative Services  
Division of Fleet and Surplus Services*

# ***NEWS RELEASE***

4120 State Office Building  
Salt Lake City  
Utah 84114

Tel. (801) 537-9187  
Fax (801) 538-7177

***“Moving in the right direction!”***

## **FOR IMMEDIATE RELEASE**

**Date: April 30, 2005**

**Program: Fleet Admin**

**Subject: Alternative Fuel News**

### **CLEAR ACT Introduced in the Senate**

Yesterday, at a well-attended news conference, Sen. Orrin G. Hatch (R-UT) reintroduced the Clean Efficient Automobiles Resulting from Advanced Car Technologies Act of 2005, or the CLEAR ACT (S.971). The original Senate cosponsors of the bill are: John Ensign (R-NV), Joe Lieberman (D-CT), Jay Rockefeller (D-WV), Jim Jeffords (I-VT), Lincoln Chafee (R-RI), Olympia Snowe (R-ME), Susan Collins (R-ME), and Gordon Smith (R-OR). Sen. Chafee also participated in the news conference.

In his remarks at the news event, Sen. Hatch stated that, in the last decade, energy consumption in the United States had increased by roughly 12 percent, while energy production increased by less than one half of one percent. He also emphasized that the transportation sector in the U.S. accounts for nearly two-thirds of all oil consumption nationwide, but that alternative fuel accounted for only 0.23 percent of all highway fuel use in 2004. Thus, according to Senator Hatch: “... if we want to clean our air and address our nation’s energy dependency, we must focus on the transportation sector. And we must focus first on those technologies and alternative fuels that are already available. The CLEAR ACT is the shortest path to achieving these goals.”

Sen. Hatch also made a strong reference to the recent statements by President Bush on the need to pass an energy bill (see related story). According to Sen. Hatch: “As for these policies, the CLEAR ACT is exactly where the rubber meets the road. The CLEAR ACT continues to be the most comprehensive and effective plan we have seen in this country to accelerate the transformation of the automotive marketplace ... With the CLEAR ACT we get cleaner air, we reduce our dependency on foreign oil, and we help lead our nation into the future”.

The Natural Gas Vehicle (NGV) provisions in the bill are essentially identical to the measures that have been introduced during the last two Congresses. The bill: (1) provides a tax credit for the purchase of NGVs; (2) provides a tax credit for the purchase of natural gas used in vehicles; and (3) extends the tax deduction for the purchase of the necessary

NGV fueling equipment and provides a tax credit for the cost of installing it. Included in the infrastructure incentive is tax credit of up to \$1,000 for the installation of home refueling.

### **President Bush Re-enters Energy Bill Debate**

This week, President Bush re-entered the Congressional energy debate with five new proposals that could make a difference in all energy sectors. The comments by the President come as the White House is again pushing hard for enactment of new comprehensive energy legislation. One of the proposals calls for a tax credit of \$2.5 billion for 10 years for hybrid-electric and advanced diesel vehicles. The House included a \$3 billion, 10-year authorization for a hybrid and advanced diesel grant program in the Energy bill it passed last week.

Both of these are good news for our efforts to get the CLEAR ACT passed. As mentioned above, during this week's CLEAR ACT news conference, Sen. Orrin Hatch acknowledged the President's proposal, but indicated that the CLEAR ACT was a superior approach. Most experts now agree that any successful initiative to reduce America's use of foreign oil in transportation must include: (1) improving the efficiency of new petroleum vehicles; and (2) putting more vehicles on the road that use domestic, non-petroleum alternative fuels. Since all hybrid-electric vehicles offered by the automakers today operate on gasoline, the President's proposal would be valuable in addressing the first part of this strategy, but would do nothing to advance the second. The CLEAR ACT, however, would do both. It already includes the incentive for hybrids, but also includes incentives for alt fuel vehicles that can start making an impact on reducing oil use immediately. While it does not include a tax credit for advanced diesels, the House Energy Bill does, so that this incentive can be merged with the CLEAR ACT in the House/Senate Energy Conference to achieve the President's objectives.

### **BAF Receives EPA Certification for 2005 Ford Crown Vics**

On Wednesday, BAF Technologies received EPA Certification for the 2005 CNG Ford Crown Victoria/Lincoln-Mercury Grand Marquis/Town Car (test group 5FMXV04.6VE8). This completes the process necessary to permit upfitting and delivery of CNG versions of these Ford vehicles for use as police cars, taxis, limos, etc. This multi-year (2005-2006) certification program was funded by NYSERDA, SCAQMD, and Clean Energy and included cost sharing by BAF Technologies and Teleflex/GFI. BAF already has an order for 58 taxis as well as 9 patrol/police cars for DFW airport – and has orders pending with companies in three states. For more information, contact Paul Shaffer at [pshaffer@baftechnologies.com](mailto:pshaffer@baftechnologies.com).

### **ALA Issues National Clean Air Quality Report**

This week, the annual American Lung Association State of the Air: 2005 report was released. The report concludes that new evidence shows that more groups are at risk from air pollution and that the health risks are even more serious than experts previously believed. Among the reports findings are:

- More than 52 percent of the U.S. population lives in counties that have unhealthy levels of either ozone or particle pollution.
- Nearly half the U.S. population, or 49 percent, lives in areas with unhealthy levels of ozone.
- More than 26 percent of the U.S. population lives in areas with unhealthy short-term levels of particle pollution.
- One in five of the U.S. population lives in areas with unhealthy year-round levels of particle pollution.
- About 50.2 million Americans, or nearly 17 percent, live in 47 counties with unhealthy levels of all three types of air pollutants: ozone and short-term and year-round particle pollution.

The following are cities ranked among the worst in the nation for ozone and/or particle pollution:

- West: Los Angeles, Calif.; Bakersfield, Calif.; Fresno, Calif.; Hanford, Calif.; Visalia, Calif.
- Northeast: New York, N.Y.; Newark, N.J.; Bridgeport, Conn.
- Mid-Atlantic: Washington, D.C.; Baltimore, Md.; Pittsburgh, Pa.
- Midwest: Cleveland, Ohio; Columbus, Ohio; Chicago, Ill.; Detroit, Mich.; St. Louis, Mo.; **Salt Lake City**, Utah; Provo, Utah
- Southeast: Birmingham, Ala.; Louisville, Ky.; Atlanta, Ga.; Charlotte, N.C. Knoxville, Tenn.
- South: Houston, Texas; Dallas/Fort Worth, Texas
- Northwest: Eugene, Ore.; Springfield, Ore.

For a full copy of the report, go to [http://lungaction.org/reports/sota05\\_full.html](http://lungaction.org/reports/sota05_full.html).

#### CNG/HCNG Engine Company Formed

Collier Technologies Inc. (CTI) of Reno, NV has announced the formation of a new low-emissions U.S. OEM heavy-duty engine manufacturer, City Engines Inc. CTI has licensed City Engines with their patented HCNG-related technologies that have demonstrated capabilities of meeting the upcoming California 2007 heavy-duty emissions standard with less than 0.2 g/hp hr of NO<sub>x</sub>. The newly formed City Engines has distribution agreements with Daewoo Heavy Industries (DHI) for their heavy-duty gas engines. The initial engine offered will be the base DHI 11-liter platform, outfitted with CTI-designed cylinder heads that will be manufactured in the United States. The initial sales targets are the metropolitan transit authorities in the United States, where demonstrations of the engines in bus platforms are already under way.

The new engines will require California Air Resource Board (CARB) emissions certification. These certifications will be conducted over the next six to 12 months for CNG fuels to meet the existing 2004 CARB Standard as well as with a 30% HCNG blend to meet the upcoming 2007 Standard. For more information, contact Collier Technologies Inc at [www.bestemissions.com](http://www.bestemissions.com).

**Ford To Launch New NGVs in Argentina**

Three weeks ago, we reported that Ford had unveiled a new NGV for Europe. This week, it was announced that Ford will be launching a new model in Argentina, too. It will be the Ford Fiesta Max vehicle equipped with a Zetec RoadCam engine. The market for CNG vehicles in Argentina is being driven by the high cost of gasoline and diesel fuels compared to natural gas. There are currently over 1.3 million CNG fuelled vehicles operating in Argentina.

**More NGVs for Beijing's Olympics**

By the time that the 2008 Olympics roll around, China plans to have invested between \$17 and \$23 billion to improve Beijing's urban air quality. We previously have reported that, as part of that plan, all of Beijing's transit buses will be NGVs, and all its taxis will operate on either natural gas or LPG. This week, China announced another small – but important -- addition. The Hydrogen Park inside the Olympic Village will feature five HCNG buses to transport the athletes.

**Fast Facts**

According to 2003 data collected by the American Public Transit Association, the 77,328 transit buses on America's roads use about 896 million gallons of fuel a year. Not surprisingly, most of that (84 percent) is diesel. But 80 percent of the remainder (13 percent of the total) is natural gas.

To displace all the 747 million gallons of diesel fuel consumed by transit with natural gas would require only 100 billion cubic feet (bcf) of natural gas per year. This represents less than one-half of one percent of the natural gas used in the U.S.

DOE estimates that over 1,250 bcf of methane annually could be realistically produced by converting landfill gas, animal waste and municipal sewage to pipeline quality methane (biogas). Therefore, America could displace all the diesel fuel now being used in transit buses with only 8 percent of the biogas that we could be producing from these waste products.

**For more information, contact:**

Steve Saltzgiver  
DEPARTMENT OF ADMINISTRATIVE SERVICES  
DIVISION OF FLEET AND SURPLUS SERVICES  
4120 State Office Building  
Salt Lake City, Utah 84114  
Tel. (801) 538-3452  
Fax (801) 538-7177